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By: **Senators Lawlah, Currie, Hogan, McFadden, and Teitelbaum**  
Introduced and read first time: February 4, 2003  
Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Trauma Services Funding Act**

3 FOR the purpose of establishing the Maryland Trauma Services Fund; stating the  
4 purpose of the Fund; specifying the manner in which expenditures may be made  
5 from the Fund; specifying certain criteria to be taken into account in developing  
6 a certain reimbursement methodology; providing for the administration of the  
7 Fund; requiring certain trauma centers and trauma physicians to apply to the  
8 Fund for reimbursement in a certain manner; requiring the Secretary of the  
9 Department of Budget and Management and the Maryland Institute for  
10 Emergency Medical Services Systems to file a certain annual report with the  
11 General Assembly in a certain manner; requiring certain health maintenance  
12 organizations to pay certain claims to certain physicians in a certain manner;  
13 repealing a certain provision of law requiring certain health maintenance  
14 organizations to pay certain claims to certain noncontracting physicians in a  
15 certain manner; specifying certain duties of the Maryland Institute for  
16 Emergency Medical Services Systems; requiring certain insurers to remit a  
17 certain fee to the Fund in a certain manner; authorizing certain insurers to  
18 recover a certain fee from certain policyholders; specifying a certain duty of the  
19 Secretary of the Department of Budget and Management; repealing certain  
20 definitions; defining certain terms; and generally relating to trauma services  
21 provided at trauma centers by trauma physicians.

22 BY renumbering

23 Article - Health - General  
24 Section 19-701(e) through (i), respectively, and 19-710(q) through (t),  
25 respectively  
26 to be Section 19-701(f) through (j), respectively, and 19-710(r) through (u),  
27 respectively  
28 Annotated Code of Maryland  
29 (2000 Replacement Volume and 2002 Supplement)

30 BY adding to

31 Article - Health - General  
32 Section 19-130, 19-701(e) and (k) through (m), and 19-710(q)

1 Annotated Code of Maryland  
2 (2000 Replacement Volume and 2002 Supplement)

3 BY repealing and reenacting, without amendments  
4 Article - Health - General  
5 Section 19-701(a) and 19-710.1(a)(1) and (b)(4)  
6 Annotated Code of Maryland  
7 (2000 Replacement Volume and 2002 Supplement)

8 BY repealing  
9 Article - Health - General  
10 Section 19-710.1(a)(5) through (8)  
11 Annotated Code of Maryland  
12 (2000 Replacement Volume and 2002 Supplement)

13 BY repealing and reenacting, with amendments,  
14 Article - Health - General  
15 Section 19-710.1(b)(1) and (3)(i)  
16 Annotated Code of Maryland  
17 (2000 Replacement Volume and 2002 Supplement)

18 BY adding to  
19 Article - Education  
20 Section 13-504(d)  
21 Annotated Code of Maryland  
22 (2001 Replacement Volume and 2002 Supplement)

23 BY adding to  
24 Article - Insurance  
25 Section 19-517  
26 Annotated Code of Maryland  
27 (2002 Replacement Volume and 2002 Supplement)

28 BY adding to  
29 Article - State Finance and Procurement  
30 Section 3-204(f)  
31 Annotated Code of Maryland  
32 (2001 Replacement Volume and 2002 Supplement)

33 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
34 MARYLAND, That Section(s) 19-701(e) through (i), respectively, and 19-710(q)  
35 through (t), respectively, of Article - Health - General of the Annotated Code of  
36 Maryland be renumbered to be Section(s) 19-701(f) through (j), respectively, and  
37 19-710(r) through (u), respectively.

1 SECTION 2. BE IF FURTHER ENACTED, That the Laws of Maryland read as  
2 follows:

3 **Article - Health - General**

4 19-130.

5 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
6 INDICATED.

7 (2) "FUND" MEANS THE MARYLAND TRAUMA SERVICES FUND.

8 (3) "INSTITUTE" MEANS THE MARYLAND INSTITUTE FOR EMERGENCY  
9 MEDICAL SERVICES SYSTEMS.

10 (4) (I) "TRAUMA CENTER" MEANS A PRIMARY ADULT RESOURCE  
11 CENTER, LEVEL I TRAUMA CENTER, LEVEL II TRAUMA CENTER, LEVEL III TRAUMA  
12 CENTER, OR PEDIATRIC TRAUMA CENTER THAT HAS BEEN DESIGNATED BY THE  
13 INSTITUTE TO PROVIDE CARE TO TRAUMA PATIENTS.

14 (II) "TRAUMA CENTER" INCLUDES AN OUT-OF-STATE PEDIATRIC  
15 FACILITY THAT HAS ENTERED INTO AN AGREEMENT WITH THE INSTITUTE TO  
16 PROVIDE CARE TO TRAUMA PATIENTS.

17 (5) "TRAUMA PATIENT" MEANS A PATIENT THAT IS EVALUATED OR  
18 TREATED IN A TRAUMA CENTER AND IS ENTERED INTO THE STATE TRAUMA  
19 REGISTRY AS A TRAUMA PATIENT.

20 (6) "TRAUMA PHYSICIAN" MEANS A LICENSED PHYSICIAN WHO HAS  
21 BEEN CREDENTIALLED OR DESIGNATED BY A TRAUMA CENTER TO PROVIDE CARE TO  
22 A TRAUMA PATIENT AT A TRAUMA CENTER.

23 (B) (1) THERE IS A MARYLAND TRAUMA SERVICES FUND.

24 (2) THE PURPOSE OF THE FUND IS TO ASSURE CONTINUED  
25 PARTICIPATION OF TRAUMA PHYSICIANS AND TRAUMA CENTERS IN CARING FOR  
26 TRAUMA PATIENTS BY PROVIDING:

27 (I) A SUBSIDY FOR THE DOCUMENTED COSTS OF TRAUMA  
28 PHYSICIAN UNCOMPENSATED CARE PROVIDED TO TRAUMA PATIENTS;

29 (II) A SUBSIDY FOR THE DOCUMENTED TRAUMA CENTER COST OF  
30 MAINTAINING TRAUMA PHYSICIANS ON-CALL AND ON STANDBY;

31 (III) A SUBSIDY FOR THE PURPOSE OF INCREASING THE MEDICAID  
32 FEE SCHEDULE FOR PAYMENTS MADE TO TRAUMA PHYSICIANS; AND

33 (IV) A SUBSIDY FOR THE UNRECOVERABLE COSTS OF TRAUMA  
34 CENTER UNCOMPENSATED CARE ASSOCIATED WITH PROVIDING TRAUMA CARE TO  
35 TRAUMA PATIENTS.

1 (3) THE FUND IS A CONTINUING, NONLAPSING FUND THAT IS NOT  
2 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

3 (4) INTEREST AND EARNINGS ON THE FUND SHALL BE SEPARATELY  
4 ACCOUNTED FOR AND CREDITED TO THE FUND, AND ARE NOT SUBJECT TO § 6-226(A)  
5 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

6 (C) THE FUND CONSISTS OF MOTOR VEHICLE INSURANCE POLICY  
7 SURCHARGES COLLECTED IN ACCORDANCE WITH § 19-517 OF THE INSURANCE  
8 ARTICLE.

9 (D) (1) EXPENDITURES FROM THE FUND SHALL BE MADE IN ACCORDANCE  
10 WITH A METHODOLOGY ESTABLISHED BY THE SECRETARY OF BUDGET AND  
11 MANAGEMENT IN CONSULTATION WITH THE INSTITUTE THAT IS BASED ON  
12 OBJECTIVE CRITERIA TO FAIRLY AND EQUITABLY DISTRIBUTE THE MONEY IN THE  
13 FUND FOR THE PURPOSES DESCRIBED IN SUBSECTION (B) OF THIS SECTION.

14 (2) THE METHODOLOGY DEVELOPED UNDER PARAGRAPH (1) OF THIS  
15 SUBSECTION SHALL TAKE INTO ACCOUNT THE CATEGORIZATION AND PAYOR MIX OF  
16 A TRAUMA CENTER.

17 (E) (1) THE FUND SHALL BE ADMINISTERED BY THE INSTITUTE.

18 (2) IN ORDER TO RECEIVE REIMBURSEMENT, A TRAUMA PHYSICIAN OR  
19 TRAUMA CENTER SHALL APPLY TO THE FUND ON A FORM AND IN A MANNER  
20 APPROVED BY THE INSTITUTE.

21 (F) THE SECRETARY OF BUDGET AND MANAGEMENT AND THE INSTITUTE  
22 SHALL REPORT ANNUALLY TO THE GENERAL ASSEMBLY IN ACCORDANCE WITH §  
23 2-1246 OF THE STATE GOVERNMENT ARTICLE ON:

24 (1) THE AMOUNT OF MONEY IN THE FUND; AND

25 (2) THE AMOUNT OF MONEY DISTRIBUTED FOR THE PURPOSES  
26 DESCRIBED IN SUBSECTION (B) OF THIS SECTION.

27 19-701.

28 (a) In this subtitle the following words have the meanings indicated.

29 (E) "INSTITUTE" MEANS THE MARYLAND INSTITUTE FOR EMERGENCY  
30 MEDICAL SERVICES SYSTEMS.

31 (K) (1) "TRAUMA CENTER" MEANS A PRIMARY ADULT RESOURCE CENTER,  
32 LEVEL I TRAUMA CENTER, LEVEL II TRAUMA CENTER, LEVEL III TRAUMA CENTER, OR  
33 PEDIATRIC TRAUMA CENTER THAT HAS BEEN DESIGNATED BY THE INSTITUTE TO  
34 PROVIDE CARE TO TRAUMA PATIENTS.

1           (2)     "TRAUMA CENTER" INCLUDES AN OUT-OF-STATE PEDIATRIC  
2 FACILITY THAT HAS ENTERED INTO AN AGREEMENT WITH THE INSTITUTE TO  
3 PROVIDE CARE TO TRAUMA PATIENTS.

4     (L)     "TRAUMA PATIENT" MEANS A PATIENT THAT IS EVALUATED OR TREATED  
5 IN A TRAUMA CENTER AND IS ENTERED INTO THE STATE TRAUMA REGISTRY AS A  
6 TRAUMA PATIENT.

7     (M)     "TRAUMA PHYSICIAN" MEANS A LICENSED PHYSICIAN WHO HAS BEEN  
8 CREDENTIALLED OR DESIGNATED BY A TRAUMA CENTER TO PROVIDE CARE TO A  
9 TRAUMA PATIENT AT A TRAUMA CENTER.

10 19-710.

11     (Q)     IN ADDITION TO ANY OTHER PROVISIONS OF THIS SUBTITLE, FOR A  
12 COVERED SERVICE RENDERED TO AN ENROLLEE OF A HEALTH MAINTENANCE  
13 ORGANIZATION, THE HEALTH MAINTENANCE ORGANIZATION OR ITS AGENT SHALL  
14 PAY THE CLAIM SUBMITTED BY A TRAUMA PHYSICIAN FOR TRAUMA CARE RENDERED  
15 TO A TRAUMA PATIENT IN A TRAUMA CENTER, AT THE GREATER OF:

16           (1)     140% OF THE RATE PAID BY THE MEDICARE PROGRAM, AS  
17 PUBLISHED BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES, FOR THE  
18 SAME COVERED SERVICE, TO A SIMILARLY LICENSED PROVIDER;

19           (2)     THE RATE AS OF JANUARY 1, 2003 THAT THE HEALTH MAINTENANCE  
20 ORGANIZATION PAID IN THE SAME GEOGRAPHIC AREA, AS PUBLISHED BY THE  
21 CENTERS FOR MEDICARE AND MEDICAID SERVICES, FOR THE SAME COVERED  
22 SERVICE, TO A SIMILARLY LICENSED PROVIDER; OR

23           (3)     THE CONTRACTED RATE AT THE TIME THE SERVICE IS PROVIDED.

24 19-710.1.

25     (a)     (1)     In this section the following words have the meanings indicated.

26           [(5)     "Institute" means the Maryland Institute for Emergency Medical  
27 Services Systems.

28           (6)     (i)     "Trauma center" means a primary adult resource center, level I  
29 trauma center, level II trauma center, level III trauma center, or pediatric trauma  
30 center that has been designated by the institute to provide care to trauma patients.

31                   (ii)     "Trauma center" includes an out-of-state pediatric facility that  
32 has entered into an agreement with the institute to provide care to trauma patients.

33           (7)     "Trauma patient" means a patient that is evaluated or treated in a  
34 trauma center and is entered into the State trauma registry as a trauma patient.

1 (8) "Trauma physician" means a licensed physician who has been  
2 credentialed or designated by a trauma center to provide care to a trauma patient at  
3 a trauma center.]

4 (b) (1) In addition to any other provisions of this subtitle, for a covered  
5 service rendered to an enrollee of a health maintenance organization by a health care  
6 provider not under written contract with the health maintenance organization, the  
7 health maintenance organization or its agent:

8 (i) Shall pay the health care provider within 30 days after the  
9 receipt of a claim in accordance with the applicable provisions of this subtitle; and

10 (ii) Shall pay the claim submitted by:

11 1. A hospital at the rate approved by the Health Services  
12 Cost Review Commission;

13 [2. A trauma physician for trauma care rendered to a trauma  
14 patient in a trauma center, at the greater of:

15 A. 140% of the rate paid by the Medicare program, as  
16 published by the Centers for Medicare and Medicaid Services, for the same covered  
17 service, to a similarly licensed provider; or

18 B. The rate as of January 1, 2001 that the health  
19 maintenance organization paid in the same geographic area, as published by the  
20 Centers for Medicare and Medicaid Services, for the same covered service, to a  
21 similarly licensed provider;] and

22 [3.] 2. Any other health care provider at the greater of:

23 A. 125% of the rate the health maintenance organization  
24 pays in the same geographic area, as published by the Centers for Medicare and  
25 Medicaid Services, for the same covered service, to a similarly licensed provider under  
26 written contract with the health maintenance organization; or

27 B. The rate as of January 1, 2000 that the health  
28 maintenance organization paid in the same geographic area, as published by the  
29 Centers for Medicare and Medicaid Services, for the same covered service, to a  
30 similarly licensed provider not under written contract with the health maintenance  
31 organization.

32 (3) (i) Subject to [subparagraph (ii) of this paragraph] § 19-710(Q) OF  
33 THIS SUBTITLE, a health maintenance organization may require a trauma physician  
34 not under contract with the health maintenance organization to submit appropriate  
35 adjunct claims documentation and to include on the uniform claim form a provider  
36 number assigned to the trauma physician by the health maintenance organization.

1 (4) A trauma center, on request from a health maintenance organization,  
2 shall verify that a licensed physician is credentialed or otherwise designated by the  
3 trauma center to provide trauma care.

4 **Article - Education**

5 13-504.

6 (D) (1) IN CONJUNCTION WITH THE SECRETARY OF BUDGET AND  
7 MANAGEMENT, THE INSTITUTE SHALL DEVELOP A METHODOLOGY TO DISTRIBUTE  
8 FAIRLY AND EQUITABLY THE MONEY IN THE MARYLAND TRAUMA SERVICES FUND.

9 (2) THE INSTITUTE SHALL OVERSEE AND ADMINISTER THE MARYLAND  
10 TRAUMA SERVICES FUND.

11 **Article - Insurance**

12 19-517.

13 (A) (1) EACH INSURER THAT OFFERS, SELLS, OR DELIVERS MOTOR VEHICLE  
14 LIABILITY INSURANCE POLICIES IN THE STATE SHALL PAY A FEE EQUAL TO \$4  
15 MULTIPLIED BY THE TOTAL NUMBER OF MOTOR VEHICLES REGISTERED IN THE  
16 STATE BY THE CARRIER.

17 (2) THE MONEY SHALL BE PAID INTO THE MARYLAND TRAUMA  
18 SERVICES FUND ESTABLISHED UNDER § 19-130 OF THE HEALTH - GENERAL ARTICLE  
19 IN A MANNER AND AT INTERVALS DETERMINED BY THE SECRETARY OF THE  
20 DEPARTMENT OF BUDGET AND MANAGEMENT AND THE MARYLAND INSTITUTE FOR  
21 EMERGENCY MEDICAL SERVICES SYSTEMS.

22 (B) THE FEE REQUIRED OF AN INSURER UNDER SUBSECTION (A) OF THIS  
23 SECTION MAY BE RECOVERED FROM THE POLICYHOLDERS OF THE INSURER.

24 **Article - State Finance and Procurement**

25 3-204.

26 (F) IN CONJUNCTION WITH THE MARYLAND INSTITUTE FOR EMERGENCY  
27 MEDICAL SERVICES SYSTEMS, THE SECRETARY SHALL DEVELOP A METHODOLOGY  
28 TO DISTRIBUTE FAIRLY AND EQUITABLY THE MONEY IN THE MARYLAND TRAUMA  
29 SERVICES FUND.

30 SECTION 3. AND BE IT FURTHER ENACTED, That on or before August 1,  
31 2003, the Health Services Cost Review Commission shall submit to the Governor and,  
32 subject to § 2-1246 of the State Government Article, to the General Assembly a report  
33 on the status of including in-hospital rates funding for physician on-call availability  
34 and regulatory requirements for the Maryland Institute for Emergency Medical  
35 Services Systems trauma center.

1 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 July 1, 2003.